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August 24, 1994

CERTIFIED RETURN RECEIPT P 074 978 908

Mr. Mark Johnson Mark's Utah Septarian Nodules 3140 North 2000 West Delta, Utah 84624

Notice of Intention to Conduct Mining Operations, Tetla Septarian Mine, Re:

S/025/006, Kane County, Utah

Dear Mr. Johnson:

Measurements performed by the Division, during a June 30, 1994 site inspection of surface disturbances associated with your septarian nodule mining activities, totaled approximately 6.5 acres. This exceeds the five acre threshold for a small mining operation. It appears that at least 4.3 acres of this disturbance is located on State leased land. The School Institutional Trust Land Administration, formerly the Division of State Lands and Forestry, has indicated that Minerals Leases 41355 and 27966 were both transferred to you on May 31, 1994.

Under Rule R647-3-113, Mine Enlargement, an operator must file a Notice of Intention to Commence Large Mining Operations (FORM MR-LMO) with the Division and receive approval, before enlarging a small mining operation beyond five (5) acres of surface disturbance. Continued mining activities on these mining disturbances without the appropriate filing of a Large Mining Notice of Intention, may force the Division to issue a Notice of Non-compliance. This action could ultimately result in the issuance of a Division or Board Order finding the responsible operator(s) in direct violation of the Utah Mined Land Reclamation Act (the "Act"). A violation of the Act, may subject the violator(s) to appropriate enforcement actions, including, but not limited to: permit revocation, bond forfeiture, mine closure, immediate reclamation, fines, penalties and other lawful remedies as provided for under the Act. A knowing and willful violation of the Act may subject the violator to penalties/fines of up to \$10,000 per violation.



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On November 23, 1993, the Division sent a letter to Mr. Gerald Berry informing him that the continued mining and reclamation responsibility for his DOGM mine permit must be officially transferred to you. A small mine permit transfer form was attached to the letter. You should have received a copy of this letter. On December 6, 1993, the Division received correspondence from Mr. Berry indicating all interests and responsibilities concerning this mining project had been transferred and forwarded on to his former wife, Olga Berry, of El Paso, Texas. To date, we have not received any correspondence from Mrs. Berry confirming or denying this action. Because we have not received a completed permit transfer form (or a new permit application), the existing small mine permit remains in effect under the name of the original operator (Gerald Berry).

Our November 23, 1993, letter also stated that the total mining disturbance associated with the active claims/leases appeared to exceed five acres. Following an October 28, 1993, onsite inspection, you and Mr. Holland Shepherd, a former Division employee, established an approximate date of late Spring of 1994, to accomplish reclamation of those disturbances no longer necessary for continued operations.

As of this date, no formal DOGM permit transfer has been received. We also have not received a new mining notice/permit application from you, and our site inspection of June 30, 1994, revealed no evidence of any contemporaneous reclamation of unnecessary surface disturbances.

We have enclosed another permit transfer form (FORM MR-TRS) which should be completed by you and the previous owner of the mine to effectively transfer the DOGM permit (file # S/025/006). In the event a permit transfer is not secured, then a new Notice of Intention to Commence Mining Operations (small or large mine application) must be completed and filed with our office. Please complete and return the appropriate form(s) within 14 days of your receipt of this letter.

If a Small Mining Operations permit transfer form, or a new SMO application is received, then enough contemporaneous reclamation must also be performed to bring the aggregate surface disturbance to a maximum of five acres. This reclamation must be performed by October 31, 1994. If desired, the Division can provide advice on appropriate reclamation techniques and develop a seed mix recommendation for the affected area. If contemporaneous reclamation will not be performed, then a Notice of Intention to Commence Large Mining Operations must be completed and filed with the Division by the October 31, 1994 deadline. A reclamation surety must be calculated and posted with the Division before final approval of a Large Mining Notice of Intent is granted.

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Thank you for your cooperation and attention to this matter. If you have questions please call me or Travis Jones of the Minerals staff.

Sincerely,

D. Wayne Hedberg Permit Supervisor

Minerals Regulatory Program

jb Enclosures (mR-tRS, mR-Lmo + mR-Smo)

cc: Gerald Berry, Tetla Septarians Olga Berry, El Paso, Texas John Blake, SITLA

Rod Schipper, Kanab RA BLM Lowell Braxton, DOGM

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